

AMENDED IN ASSEMBLY APRIL 4, 2001

CALIFORNIA LEGISLATURE—2001–02 REGULAR SESSION

**ASSEMBLY BILL**

**No. 172**

**Introduced by Assembly Member Reyes**

February 5, 2001

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An act to amend ~~Section~~ *Sections 1798.56 and 1798.69* of the Civil Code, relating to information practices.

LEGISLATIVE COUNSEL'S DIGEST

AB 172, as amended, Reyes. Information practices: State Board of Equalization.

~~Existing~~

(1) *Existing* law prohibits the State Board of Equalization from releasing the names and addresses of individuals who are registered with or are holding licenses or permits issued by, the State Board of Equalization except to the extent necessary to verify resale certificates or to administer the tax and fee provisions of the Revenue Code. Existing law also provides that this prohibition does not prohibit the release by the State Board of Equalization to, or limit the use by, any federal or state agency, or local government, of any data collected by the board that is otherwise authorized by law.

This bill would provide that the State Board of Equalization is not prohibited from releasing specified names and addresses to a ~~collection agency~~ *debt collector* for the sole purpose of collection of a debt owed by individuals who are registered with or are holding licenses or permits issued by, the State Board of Equalization. *The bill would define debt collector for these purposes but would give the board sole discretion to determine whether a person is a debt collector. The bill would require*

*a debt collector to file with the board an affidavit, under penalty of perjury, certifying information relating to the person's status as a debt collector. Because perjury is punishable as a felony, this bill would impose a state-mandated program by expanding the scope of a crime.*

*(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.*

*This bill would provide that no reimbursement is required by this act for a specified reason.*

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: ~~no~~ yes.

*The people of the State of California do enact as follows:*

1     SECTION 1. *Section 1798.56 of the Civil Code is amended to*  
2 *read:*

3     1798.56. (a) Any person who willfully requests or obtains  
4 any record containing personal information from an agency under  
5 false pretenses shall be guilty of a misdemeanor and fined not more  
6 than five thousand dollars (\$5,000), or imprisoned not more than  
7 one year, or both.

8     (b) Any person who willfully makes any false statement in the  
9 affidavit under paragraph (2) of subdivision (c) of Section 1798.69  
10 is also guilty of perjury.

11     (c) The State Board of Equalization has sole discretion to  
12 determine additional violations and impose penalties for  
13 violations of Section 1798.69.

14     SEC. 2. Section 1798.69 of the Civil Code is amended to read:

15     1798.69. (a) The State Board of Equalization may not release  
16 the names and addresses of individuals who are registered with, or  
17 are holding licenses or permits issued by, the State Board of  
18 Equalization except as follows:

19     (1) To the extent necessary to verify resale certificates.

20     (2) To administer the tax and fee provisions of the Revenue and  
21 Taxation Code.

22     (3) To a ~~collection agency~~ debt collector for the sole purpose  
23 of collection of a debt owed by these individuals *as provided in*  
24 *subdivision (c).*

25     (4) As provided in subdivision (b).

1 (b) Nothing in this section shall prohibit the release by the State  
2 Board of Equalization to, or limit the use by, any federal or state  
3 agency, or local government, of any data collected by the board  
4 that is otherwise authorized by law.

5 (c) *Nothing in this section shall prohibit the release by the State*  
6 *Board Equalization to a debt collector of any data collected by the*  
7 *board that is otherwise authorized by law. Data provided to a debt*  
8 *collector under this section shall not be released, sold, transferred,*  
9 *or communicated to any other person, except as directly related to*  
10 *the collection of a specific debt by the debt collector.*

11 (1) *“Debt collector,” as used in this section, means any person*  
12 *in any business, the principal purpose of which is the collection of*  
13 *any debts, or who regularly collects or attempts to collect, directly*  
14 *or indirectly, debts owed or due or asserted to be owed or due*  
15 *another. For purposes of this section, the State Board of*  
16 *Equalization has sole discretion to determine which persons are*  
17 *debt collectors.*

18 (2) *Prior to receiving any data from the State Board of*  
19 *Equalization, the debt collector shall file with the board an*  
20 *affidavit, under penalty of perjury, that certifies all of the*  
21 *following:*

22 (A) *The name, address, and telephone number of the debt*  
23 *collector.*

24 (B) *That the person qualifies as a debt collector under this*  
25 *section.*

26 (C) *That the debt collector shall comply with the restrictions on*  
27 *the transfer of the data provided pursuant to this subdivision.*

28 (D) *The name of the employee or representative of the debt*  
29 *collector responsible for receiving and controlling the use of the*  
30 *data received from the board.*

31 SEC. 3. *No reimbursement is required by this act pursuant to*  
32 *Section 6 of Article XIII B of the California Constitution because*  
33 *the only costs that may be incurred by a local agency or school*  
34 *district will be incurred because this act creates a new crime or*  
35 *infraction, eliminates a crime or infraction, or changes the penalty*  
36 *for a crime or infraction, within the meaning of Section 17556 of*  
37 *the Government Code, or changes the definition of a crime within*

- 1 *the meaning of Section 6 of Article XIII B of the California*
- 2 *Constitution.*

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